

**JIM WALTER RESOURCES, INC.
SEARLES MINE NO. 7, P-3927**

JIM WALTER RESOURCES, INC.

SEARLES MINE NO. 7, P-3927

ALABAMA SURFACE MINING COMMISSION

SURFACE MINING PERMIT APPLICATION

P A R T I

Prepared by:

MCGEHEE ENGINEERING CORP.

P. O. Box 3431
450 19th Street West
Jasper, Alabama 35502-3431
Telephone: (205) 221-0686
Fax: (205) 221-7721

STATE OF ALABAMA SURFACE MINING COMMISSION

- (X) Transfer Application for a Surface Coal Mine
() Transfer Application for an Underground Coal Mine
() Transfer Application for a Preparation Facility

NAME OF CURRENT PERMITTEE: Southland Resources, Inc.

ADDRESS: P.O. Box 770 Cottondale, AL 35453

PART I A. IDENTIFICATION

1. PERMIT APPLICANT

Name: Jim Walter Resources, Inc.

Street Address: 16243 Highway 216

City: Brookwood State: AL Zip: 35444

Mailing Address: P. O. BOX 133

City: Brookwood State: AL Zip: 35444

Telephone Number: (205) 554-6150

Social Security Number (Voluntary): - -

Employer Identification Number: 59-2981186

ASMC License#: L-613

2. ENTITY OR PERSON RESPONSIBLE FOR PAYING ABANDONED MINE LAND RECLAMATION FEES

Name: Jim Walter Resources, Inc.

Street Address: 16243 Highway 216

City: Brookwood State: AL Zip: 35444

Mailing Address: P. O. BOX 133

City: Brookwood State: AL Zip: 35444

Telephone Number: (205) 554-6150

Social Security Number (Voluntary): - -

Employer Identification Number: 59-2981186

ASMC License#: L-613

3. IDENTIFY THE OPERATOR FOR THIS MINE IF DIFFERENT FROM THE PERMITTEE

Name: SAME AS PERMITTEE

Street Address: _____

City: _____ State: _____ Zip: _____

Mailing Address: _____

City: _____ State: _____ Zip: _____

Telephone Number: () -

Social Security Number(Voluntary): - -

Employer Identification Number: _____

ASMC License#: _____

4. CONTACT PERSON FOR PERMIT REVIEW ISSUES AND CORRESPONDENCE

Name: McGehee Engineering, Corp.

Mailing Address: P. O. Box 3431, 450 19th Street West

City: Jasper State: AL Zip: 35502

Telephone Number: (205) 221-0686

Email Address: jwhitlock@mcgehee.org

JIM WALTER RESOURCES, INC.
SEARLES MINE NO. 7, P-3927

PART I B. OWNERSHIP AND CONTROL

1. PERMIT APPLICANT OWNERSHIP AND CONTROL.

At the time of filing of this application provide an update of all information contained in the applicant's license file or certify that the information contained in the license is accurate and complete. The updated information shall be submitted on Part I A through Part I F of the License application form. Check one of the following:

☐ A license update is included.

☒ Information contained in the license file is accurate and complete at the time of filing of this application.
No update is included.

Following notification that the permit appears eligible for issuance, the applicant must certify that all information in this application and the license file pertaining to ownership and control, surface mining history and violation history is still valid or the applicant must submit the appropriate update information.

2. OPERATOR OWNERSHIP AND CONTROL.

If someone other than the permittee has been identified as the operator under this permit, an update of the ownership and control information contained in the operator's license file must be provided or certify that the information contained in the license file is accurate and complete. The updated information shall be submitted on Part I A through Part I F of the License application form. Check one of the following:

☐ A license update is included.

☒ Information contained in the license file is accurate and complete at the time of filing of this application.
No update is included.

Following notification that the permit appears eligible for issuance, the applicant must certify that all information in this application and the license file pertaining to ownership and control, surface mining history and violation history is still valid or the applicant must submit the appropriate update information.

3. CONTROL OF MINING OPERATION THROUGH CONTROL OF COAL TO BE MINED.

Provide the information below for any person or entity who owns or controls the coal to be mined under this permit and who, by lease, sublease, or other contract:

A. has the right to receive the coal after mining, or,

B. has the authority to determine the manner in which the operator or permittee conducts surface coal mining operations.

(USE ADDITIONAL SHEETS IN THE FORMAT BELOW IF NECESSARY)

Name: Jim Walter Resources, Inc.

Street Address: 16243 Highway 216

City: Brookwood State: AL Zip: 35444

Mailing Address: P. O. BOX 133

City: Brookwood State: AL Zip: 35444

Telephone Number: (205) 554-6150

Social Security Number (Voluntary): - -

Employer Identification Number: 59-2981186

ASMC License#: L-613

**JIM WALTER RESOURCES, INC.
SEARLES MINE NO. 7, P-3927**

PART I C. PROPERTY OWNERSHIP, INTERESTS AND RIGHTS

1. OWNERSHIP OF PROPERTY TO BE MINED AND RIGHT OF ENTRY.

INSTRUCTIONS:

Show the property ownership boundaries of each parcel of land in the permit area on the permit map or an overlay of the same scale as the permit map. If the surface estate is severed from the mineral estate, show and describe the ownership of each estate separately. In the spaces below, identify:

1. Every current legal or equitable owner(s) of record (as found in a standard search of title) of the property;
2. The holders of record of any leasehold interest in the property; and,
3. Any purchaser of record under a real estate contract of the property.

Describe the basis of the applicant's legal right to enter and mine on all properties contained in the permit application. If the mineral estate has been severed from the surface estate, describe the basis of the legal right to enter and mine both the surface and mineral separately. Give the nature of such right (i.e. lease, deed, contract, etc.), where recorded, describe from whom, to whom, and the date executed, and whether that right is the subject of pending litigation.

USE ADDITIONAL SHEETS IN THE FORMAT BELOW AS NECESSARY

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Page 1 of 9

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Legal description of property or permit map symbol: F-1 & M-1

(SEE PERMIT MAP)

Surface/Mineral/or Fee Simple (both): MINERAL & FEE

Legal owner(s) of record: Walter Minerals, Inc.

Address: 3000 Galleria Blvd. Ste. 1700 City: Birmingham State: AL Zip: 35236

Holders of leasehold interest: _____

Address: _____ City: _____ State: _____ Zip: _____

Purchasers under a real estate contract: _____

Address: _____ City: _____ State: _____ Zip: _____

Description of right to enter or mine:

Describe the type of document or conveyance which grants the right of entry, disturbance or mining. Indicate from whom the right was acquired and to whom the right was granted. If the grantor of the right is not the owner(s) of property, identify all grantors and grantees of the right beginning with the owner(s) and ending with the permit applicant.

Describe Right of Entry(If deed indicate where recorded):	Granted From:	Granted To:	Date Granted:	Litigation Pending? (Yes or No) If yes,explain
LEASE	WALTER MINERALS, INC.	SOUTHLAND RESOURCES, INC.	05-01-2008	NO
ASSIGNMENT	SOUTHLAND RESOURCES, INC.	JIM WALTER RESOURCES, INC.	N/A. PERMITTEE IS OWNED BY WALTER MINERALS, INC.	NO

JIM WALTER RESOURCES, INC.
SEARLES MINE NO. 7, P-3927

PART I C. PROPERTY OWNERSHIP, INTERESTS AND RIGHTS (CONTINUED)

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Page 2 of 9

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Legal description of property or permit map symbol: F-3 & S-3

SEE PERMIT MAP

Surface/Mineral/or Fee Simple (both): **FEE & SURFACE**

Legal owner(s) of record: **KELLERMAN LAND ASSOCIATES c/o REGIONS BANK TRUSTEE**

Address P.O. BOX 11426 City: **BIRMINGHAM** State: **AL** Zip: **35202**

Holders of leasehold interest: _____

Address: _____ City: _____ State: _____ Zip: _____

Purchasers under a real estate contract: _____

Address: _____ City: _____ State: **AL** Zip: _____

Description of right to enter or mine:

Describe the type of document or conveyance which grants the right of entry, disturbance or mining. Indicate from whom the right was acquired and to whom the right was granted. If the grantor of the right is not the owner(s) of property, identify all grantors and grantees of the right beginning with the owner(s) and ending with the permit applicant.

Describe Right of Entry(If deed indicate where recorded):	Granted From:	Granted To:	Date Granted:	Litigation Pending? (Yes or No) If yes, explain.
LEASE	KELLERMAN LAND ASSOCIATES c/o REGIONS BANK	SOUTHLAND RESOURCES INC.	10-31-07	NO
LEASE	KELLERMAN LAND ASSOCIATES c/o REGIONS BANK	SOUTHLAND RESOURCES INC.	07-22-13	NO

**JIM WALTER RESOURCES, INC.
SEARLES MINE NO. 7, P-3927**

PART I C. PROPERTY OWNERSHIP, INTERESTS AND RIGHTS (CONTINUED)

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Page 3 of 9

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Legal description of property or permit map symbol: S-5
SEE PERMIT MAP

Surface/Mineral/or Fee Simple (both): SURFACE

Legal owner(s) of record: ALTRICE STINNETT
Address: 2315 PATTON STREET City: BIRMINGHAM State: AL Zip: 35226

Holders of leasehold interest: _____
Address: _____ City: _____ State: _____ Zip: _____

Purchasers under a real estate contract: _____
Address: _____ City: _____ State: AL Zip: _____

Description of right to enter or mine:

Describe the type of document or conveyance which grants the right of entry, disturbance or mining. Indicate from whom the right was acquired and to whom the right was granted. If the grantor of the right is not the owner(s) of property, identify all grantors and grantees of the right beginning with the owner(s) and ending with the permit applicant.

Describe Right of Entry(If deed indicate where recorded):	Granted From:	Granted To:	Date Granted:	Litigation Pending? (Yes or No) If yes, explain.
PENDING	ALTRICE STINNETT	SOUTHLAND RESOURCES INC.	5-18-2010	NO
ASSIGNMENT	SOUTHLAND RESOURCES, INC.	JIM WALTER RESOURCES, INC.	1-23-15	YES AGREEMENT ACCEPTANCE PENDING BY JWR

JIM WALTER RESOURCES, INC.
SEARLES MINE NO. 7, P-3927

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Page 4 of 9

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Legal description of property or permit map symbol: S-9
SEE PERMIT MAP

Surface/Mineral/or Fee Simple (both): SURFACE

Legal owner(s) of record: BILLY R. STANLEY, ETAL
Address: P.O. BOX 507 City: BROOKWOOD State: AL Zip: 35444

Holders of leasehold interest: _____
Address: _____ City: _____ State: _____ Zip: _____

Purchasers under a real estate contract: _____
Address: _____ City: _____ State: AL Zip: _____

Description of right to enter or mine:

Describe the type of document or conveyance which grants the right of entry, disturbance or mining. Indicate from whom the right was acquired and to whom the right was granted. If the grantor of the right is not the owner(s) of property, identify all grantors and grantees of the right beginning with the owner(s) and ending with the permit applicant.

Describe Right of Entry(If deed indicate where recorded):	Granted From:	Granted To:	Date Granted:	Litigation Pending? (Yes or No) If yes, explain.
LEASE	ROY STANLEY ETAL	SOUTHLAND RESOURCES INC.	10-10-2008	NO

JIM WALTER RESOURCES, INC.
SEARLES MINE NO. 7, P-3927

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Page 5 of 2

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Legal description of property or permit map symbol: S-11
SEE PERMIT MAP

Surface/Mineral/or Fee Simple (both): SURFACE

Legal owner(s) of record: JOE BURCHFIELD

Address: 5541 KNOX PLACE City: NORCROSS State: GA Zip: 30092

Holders of leasehold interest: _____

Address: _____ City: _____ State: _____ Zip: _____

Purchasers under a real estate contract: _____

Address: _____ City: _____ State: AL Zip: _____

Description of right to enter or mine:

Describe the type of document or conveyance which grants the right of entry, disturbance or mining. Indicate from whom the right was acquired and to whom the right was granted. If the grantor of the right is not the owner(s) of property, identify all grantors and grantees of the right beginning with the owner(s) and ending with the permit applicant.

Describe Right of Entry(If deed indicate where recorded):	Granted From:	Granted To:	Date Granted:	Litigation Pending? (Yes or No) If yes, explain.
LEASE	JOE BURCHFIELD	SOUTHLAND RESOURCES INC.	12/03/10	NO

JIM WALTER RESOURCES, INC.
SEARLES MINE NO. 7, P-3927

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Page 6 of 9

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Legal description of property or permit map symbol: S-12
SEE PERMIT MAP
Surface/Mineral/or Fee Simple (both): SURFACE
Legal owner(s) of record: MARION DEUEL
Address: 1301 COUNTY ROAD 204 City: ARLEY State: AL Zip: 35541
Holders of leasehold interest: _____
Address: _____ City: _____ State: _____ Zip: _____
Purchasers under a real estate contract: _____
Address: _____ City: _____ State: AL Zip: _____
Description of right to enter or mine:

Describe the type of document or conveyance which grants the right of entry, disturbance or mining. Indicate from whom the right was acquired and to whom the right was granted. If the grantor of the right is not the owner(s) of property, identify all grantors and grantees of the right beginning with the owner(s) and ending with the permit applicant.

Describe Right of Entry(If deed indicate where recorded):	Granted From:	Granted To:	Date Granted:	Litigation Pending? (Yes or No) If yes, explain.
LEASE	MARION DEUEL	SOUTHLAND RESOURCES INC.	11/18/10	NO

**JIM WALTER RESOURCES, INC.
SEARLES MINE NO. 7, P-3927**

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Page 7 of 9

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Legal description of property or permit map symbol: S-13
SEE PERMIT MAP

Surface/Mineral/or Fee Simple (both): SURFACE

Legal owner(s) of record: AARON STALLARD

Address: 11971 DAY LAKE DRIVE City: BROOKWOOD State: AL Zip: 35544

Holders of leasehold interest: _____
 Address: _____ City: _____ State: _____ Zip: _____

Purchasers under a real estate contract: _____
 Address: _____ City: _____ State: AL Zip: _____

Description of right to enter or mine:

Describe the type of document or conveyance which grants the right of entry, disturbance or mining. Indicate from whom the right was acquired and to whom the right was granted. If the grantor of the right is not the owner(s) of property, identify all grantors and grantees of the right beginning with the owner(s) and ending with the permit applicant.

Describe Right of Entry(If deed indicate where recorded):	Granted From:	Granted To:	Date Granted:	Litigation Pending? (Yes or No) If yes, explain.
LEASE	MICHAEL MAYNOR	SOUTHLAND RESOURCES INC.	PROPERTY SOLD BY MAYNOR TO ALLAN STALLARD	NO
ASSIGNMENT	SOUTHLAND RESOURCES, INC.	JIM WALTER RESOURCES, INC.	02/02/2015	YES ACCEPTANCE BY JIM WALTER RESOURCES PENDING.

JIM WALTER RESOURCES, INC.
SEARLES MINE NO. 7, P-3927

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Page 8 of 9

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Legal description of property or permit map symbol: S-20
SEE PERMIT MAP

Surface/Mineral/or Fee Simple (both): SURFACE

Legal owner(s) of record: RENEA STANLEY HATTER JONES

Address: 15833 HIGHWAY 216 City: BROOKWOOD State: AL Zip: 35544

Holders of leasehold interest: _____

Address: _____ City: _____ State: _____ Zip: _____

Purchasers under a real estate contract: _____

Address: _____ City: _____ State: AL Zip: _____

Description of right to enter or mine:

Describe the type of document or conveyance which grants the right of entry, disturbance or mining. Indicate from whom the right was acquired and to whom the right was granted. If the grantor of the right is not the owner(s) of property, identify all grantors and grantees of the right beginning with the owner(s) and ending with the permit applicant.

Describe Right of Entry(If deed indicate where recorded):	Granted From:	Granted To:	Date Granted:	Litigation Pending? (Yes or No) If yes, explain.
PENDING	RENEA STANLEY HATTER JONES	SOUTHLAND RESOURCES INC.	10/10/08	NO

JIM WALTER RESOURCES, INC.
SEARLES MINE NO. 7, P-3927

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Page 9 of 9

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Legal description of property or permit map symbol: S-28
SEE PERMIT MAP

Surface/Mineral/or Fee Simple (both): SURFACE

Legal owner(s) of record: JONES PROPERTIES, LLC.
Address: P.O. BOX 770 City: COTTONDALE State: AL Zip: 35453

Holders of leasehold interest: _____
Address: _____ City: _____ State: _____ Zip: _____

Purchasers under a real estate contract: _____
Address: _____ City: _____ State: AL Zip: _____

Description of right to enter or mine:

Describe the type of document or conveyance which grants the right of entry, disturbance or mining. Indicate from whom the right was acquired and to whom the right was granted. If the grantor of the right is not the owner(s) of property, identify all grantors and grantees of the right beginning with the owner(s) and ending with the permit applicant.

Describe Right of Entry(If deed indicate where recorded):	Granted From:	Granted To:	Date Granted:	Litigation Pending? (Yes or No) If yes, explain.
LEASE	JONES PROPERTIES, LLC.	SOUTHLAND RESOURCES INC.	06-01-10	NO

JIM WALTER RESOURCES, INC.
SEARLES MINE NO. 7, P-3927

PART I C. (CONTINUED)

2. OWNERSHIP OF SURFACE AND MINERAL LANDS CONTIGUOUS TO THE AREA TO BE MINED.

INSTRUCTIONS:

Provide the information below for the owners of record of all surface and mineral properties contiguous to any part of the proposed permit area.

USE ADDITIONAL SHEETS IN THE FORMAT BELOW AS NECESSARY

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Page 1 of 1

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Name: **KELLERMAN LAND ASSOCIATES c/o REGIONS BANK TRUSTEE**

Address: **P.O. BOX 11426**

City: **BIRMINGHAM** State: **AL.** Zip: **35202**

Interest owned (Surface, Coal or Fee Simple): **FEE**

Type of Interest (Owner, Lease, or Other): **OWNER**

PART I C. (CONTINUED)

3. INTERESTS OR PENDING INTERESTS IN LANDS CONTIGUOUS TO THE PERMIT AREA.
INSTRUCTIONS:

THE APPLICANT HAS NO INTEREST IN ANY LANDS OR CONTIGUOUS LAND
OTHER THAN THE PERMITTED AREA.

Give the legal description of all lands contiguous to the permit area for which the permit applicant:

1. Holds an interest,
2. Holds an option, or
3. Has made a bid for ownership, lease or other interest.

USE ADDITIONAL SHEETS IN THE FORMAT BELOW AS NECESSARY

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Page 1 of 1

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Legal description: _____

Describe the nature of the interest: _____

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Legal Description: _____

Describe the nature of the interest: _____

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Legal description: _____

Describe the nature of the interest: _____

JIM WALTER RESOURCES, INC.
SEARLES MINE NO. 7, P-3927

PART I D. PERMIT AREA INFORMATION

1. Give the requested term of this permit: 5 years.
2. Give the legal description of the land upon which the applicant proposes to conduct surface coal mining operations. List each quarter-quarter section, section, township, range, and county.

NE/NE, NW/NE, SE/NE, and SE/SE of Section 31, NW/NW, SW/NW, SE/NW, NE/SW, NW/SW, SW/SW, and SE/SW of Section 32, Township 19 South, Range 7 West. NE/NE and NW/NE of Section 6, Township 20 South, Range 7 West. All being located in Tuscaloosa County, Alabama.

3. Give the acreage of the permit, each increment and the type of bonding.

a. Total permit acreage: 129 acres

- b. Give the acreage and type of bond for each mining increment:

<u>Increment</u>	<u>Acres</u>	<u>Type Bond Proposed</u>
1.	79.0	Certificate of Deposit
2.	1.0	Certificate of Deposit
5.	36.0	Certificate of Deposit
6.	9.0	Certificate of Deposit
7.	2.0	Certificate of Deposit

- c. Identify the increment(s) on which mining will initially begin upon issuance of this permit: Inc. No. 1

4. Has any acreage in the proposed permit area been previously disturbed by mining? **(XX)** YES () NO

If yes, supply the following for any and all previously disturbed areas:

- a. Show the boundaries of the previously disturbed area(s) on the permit map and identify with an appropriate symbol.

SEE PERMIT MAP

- b. List, for each area, the permit number under which it was disturbed and the number of acres. Indicate the status of each permit as Unreleased, Grading released, or 100% released. (If no permit, indicate as such)

<u>Permit</u>	<u>Acres</u>	<u>Status</u>
<u>N/A</u>	<u>50.0</u>	<u>Pre-Law</u>
<u>P-3577</u>	<u>37.0</u>	<u>100% Released</u>
<u>P-3785</u>	<u>3.0</u>	<u>100% Released</u>

5. Is disturbance to be conducted within 300 feet, measured horizontally, from an occupied dwelling?

() YES (XX) NO.

If YES, attach a signed waiver from the owner of the dwelling indicating the minimum distance disturbance will be allowed by the owner.

JIM WALTER RESOURCES, INC.
SEARLES MINE NO. 7, P-3927

PART I D. (CONTINUED)

6. Is disturbance proposed within 100 feet of a public road right-of-way or will a public road be closed or relocated?

(XX) YES () NO.

If YES, enclose a copy of the approval granted by the government entity which has jurisdiction over the road. The approval must state the minimum distance disturbance will be allowed to the road or road right-of-way.

See the previously approved permit for approval from the Tuscaloosa County Commission.

7. List all other licenses and permits required to conduct mining operations including, but not limited to, MSHA I.D. and NPDES. Give the identification or permit number, the name and address of the issuing authority, and the status or date of approval or issuance of each:

Permit	ID or Permit Number	Issuing Authority	Address	Status or date of issuance
<u>MSHA ID</u>	<u>01-03390</u>	<u>MSHA</u>	<u>228 West Valley Ave.</u> <u>Birmingham, AL 35209</u>	<u>05/02/08</u>
<u>NPDES</u>	<u>AL0074420</u>	<u>ADEM</u>	<u>1751 Federal Drive</u> <u>Tuscaloosa Resources, Inc</u> <u>Montgomery, AL 36130</u>	<u>1/31/03</u>

8. Is the property in the permit covered by zoning or other land use restrictions? () YES (XX) NO.

If yes, indicate the jurisdictional authority and zoning or land use restriction for the entire permit area. If more than one zoning classification exists for the permit area, identify the boundaries of each on the permit map.

Jurisdictional Authority	Zoning Classification	Allows mining? Yes or No
_____	_____	_____
_____	_____	_____
_____	_____	_____

9. Describe access to the proposed mine from a known point on the nearest public highway: From the intersection of Alabama Highway 216 and Tuscaloosa County Road 59 in Brookwood, Alabama, travel north on Tuscaloosa County Road 59 approximately 2.7 miles to the mine entrance on the right. The mine entrance will be marked and signs will be posted.

10. Did the applicant receive assistance from the Small Operator Assistance Program in preparing this application?
() YES (XX) NO

If YES, list SOAP I.D. Number: _____

11. Submit a certificate of proof of Liability Insurance with this application.

PART I E. PUBLIC NOTICE AND AVAILABILITY FOR INSPECTION

12. Give the name of the approved public office in which a copy of this application will be filed for public inspection following notification of completeness: Alabama Surface Mining Commission and Alabama Surface Mining Commission website <http://surface-mining.alabama.gov>

13. Enclose a copy of the notice of filing of this application which will appear in a newspaper of general circulation in the vicinity of the mine and identify the name of the newspaper: See Attachment I-E-13

WALTER MINERALS, INC.
SEARLES MINE NO. 7, P-3927
ATTACHMENT 1-E-13

PUBLIC NOTICE FILING OF PERMIT APPLICATION

In accordance with the provision of Act No. 81-435 of the State of Alabama and the regulations promulgated under this act, Jim Walter Resources, Inc., 16243 Highway 216, Brookwood, AL 35444 hereby gives notice that it has filed application to succeed by transfer to the rights granted under Surface Coal Mining Permit P-3927 currently held by Southland Resources, Inc., P.O. Box 770 Cottondale, AL 35453. The operation is known as the Searles Mine No. 7. Access to the mine is as follows:

From the intersection of Alabama Highway 216 and Tuscaloosa County Road 59 in Brookwood, Alabama, travel north on Tuscaloosa County Road 59 approximately 2.7 miles to the mine entrance on the right. The mine entrance will be marked and signs will be posted.

NE/NE, NW/NE, SE/NE, and SE/SE of Section 31, NW/NW, SW/NW, SE/NW, NE/SW, NW/SW, SW/SW, and SE/SW of Section 32, Township 19 South, Range 7 West. NE/NE and NW/NE of Section 6, Township 20 South, Range 7 West. All being located in Tuscaloosa County, Alabama.

A copy of the permit application is available for public inspection and review on the Alabama Surface Mining Commission website <http://surface-mining.alabama.gov>. A copy of the permit application is also available for public inspection and review at the office of the Alabama Surface Mining Commission located on the second floor of the Pinnacle Bank Building at 1811 2nd Avenue, Jasper, Alabama 35501. Written comments, objections, request for public hearing or request for informal conferences concerning this permit should be sent to the Alabama Surface Mining Commission, P.O. Box 2390, Jasper, Alabama 35502-2390, no later than 30 days from the last date of publication of this notice.

This notice to be published in the Tuscaloosa News Newspaper.

TO THE TUSCALOOSA NEWS:

Please run this notice one time as soon as possible. Please send invoice and notarized proof of publication to:

Jim Walter Resources, Inc.
16243 Highway 216
Brookwood, AL 35444
Telephone (205) 554-6150

Also, please send a notarized proof of publication to:

McGehee Engineering Corp.
P. O. Box 3431
Jasper, AL 35502-3431
Telephone (205) 221-0686

If you should have any questions or need additional information, please call: (205) 221-0686

PART VI - VERIFICATION OF PERMIT APPLICATION (771.27)

I, the undersigned operator and holder of an A.S.M.C. license do hereby submit this as my application for a permit to engage in surface coal mining operation and certify that the information in the application is true and correct to the best of my information and belief. This application is submitted in conformance with rules and regulations of the Commission and it is agreed that any operations pursuant to the permit will be conducted in accordance with those rules and regulations. I further certify that I will keep the Commission advised of any changes of facts as may pertain to the license information or this permit application.

JIM WALTER RESOURCES, INC.

License No.: **L-0613**

Licensee:

By: **Jeffery H. Stricklin**
Senior Environmental Engineer



STATE OF ALABAMA)))

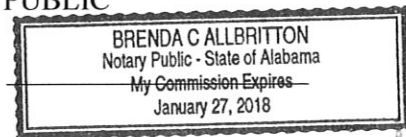
COUNTY OF TUSCALOOSA)))

Before me, the undersigned authority, personally appeared **Jeffery H. Stricklin** who being duly sworn upon oath, deposed and said, that he has read the foregoing application, that he is the responsible official of the applicant who executed the application, that the facts and matters contained therein are true and correct to the best of his information and belief, and that he executed the same for the purposes therein expressed.

Sworn to and subscribed before me, this 4th day of February 2015.


NOTARY PUBLIC

My Commission Expires:



{ S E A L }

PART VII - FINAL VERIFICATION OF PERMIT APPLICATION P-3906

I, the undersigned operator and holder of an A.S.M.C. license do hereby certify that:

- ☒ The information in the license file regarding ownership and control and violation information is accurate and complete as of this date.
- ☐ The information in the license file regarding ownership and control and violation information is not accurate and complete as of this date. The necessary update is attached.

This application is submitted in conformance with rules and regulations of the Commission and it is agreed that any operations pursuant to the permit will be conducted in accordance with those rules and regulations. I further certify that I will keep the Commission advised of any changes of facts as may pertain to the license information or this permit application.

Licensee: **JIM WALTER RESOURCES, INC.**

License No.: **L-0613**

By: *Jeffery H. Stricklin*
Jeffery H. Stricklin, Senior Environmental Engineer

Date: 2/4/15

STATE OF ALABAMA)))

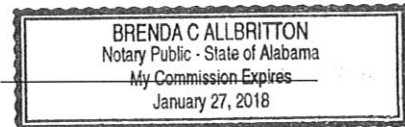
COUNTY OF TUSCALOOSA)))

Before me, the undersigned authority, personally appeared **Jeffery H. Stricklin** who being duly sworn upon oath, deposed and said, that he has read the foregoing application, that he is the responsible official of the applicant who executed the application, that the facts and matters contained therein are true and correct to the best of his information and belief, and that he executed the same for the purposes therein expressed.

Sworn to and subscribed before me, this 4th day of February, 2015.

Brenda C. Allbritton
NOTARY PUBLIC

My Commission Expires:



{ S E A L }

ASMC PERMIT TRANSFER AGREEMENT


This Agreement is entered into this date by **Southland Resources, Inc.** and **Jim Walter Resources, Inc.** in order to effect a transfer of Alabama Surface Mining Commission Permit No. P-3927 (Searles Mine No. 7) and the responsibility, coverage, and liability there under from **Southland Resources, Inc.** to **Jim Walter Resources, Inc.**

On the date such transfer becomes effective; **Jim Walter Resources, Inc.** agrees to assume the responsibility, coverage, and liability of ASMC Permit No. P-3927 and **Southland Resources, Inc.** agrees to relinquish all rights that it may have under said permit.

This agreement is entered into by both parties this the 12th day of FEBRUARY, 2015. Said transfer is to become effective on the effective date of the ASMC Permit No. P-3927 transfer approval.

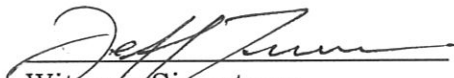
Southland Resources, Inc.

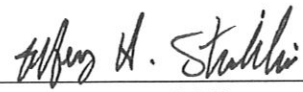

Witness Signature

By: 
Pat A. Jones
President

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Jim Walter Resources, Inc.


Witness Signature

By: 
Jeffery H. Stricklin
Senior Environmental Engineer